

SENATE COMMITTEE AMENDMENTS

2023 Regular Session

Amendments proposed by Senate Committee on Revenue and Fiscal Affairs to Engrossed House Bill No. 172 by Representative DeVillier

1 AMENDMENT NO. 1

2 On page 1, line 2, after "amend and reenact" delete the remainder of the line and insert "R.S.
3 47:633(7)(a), (b), (c)(i)(aa) and (ii)(aa) and (cc), and (d)(i) and (ii) and to enact R.S.
4 47:633(7)(d)(iii) and (iv), relative to"

5 AMENDMENT NO. 2

6 On page 1, line 3, after "severance tax rate on oil" delete "over a period of time"

7 AMENDMENT NO. 3

8 On page 1, line 5, after "certain limitations;" insert "to reduce the severance tax exemption
9 for production from any horizontally drilled wells;"

10 AMENDMENT NO. 4

11 On page 1, line 8, after "Section 1." delete the remainder of the line and delete line 9 in its
12 entirety and insert "R.S. 47:663(7)(a), (b), (c)(i)(aa) and (ii)(aa) and (cc), and (d)(i) and (ii)
13 are hereby amended and reenacted and R.S. 47:633(7)(d)(iii) and (iv) are hereby enacted to
14 read as follows:"

15 AMENDMENT NO. 5

16 On page 1, delete lines 15 through 19 in their entirety and on page 2 delete lines 1 through
17 21 in their entirety and insert the following:

18 "(7)(a)(i) On For taxable periods beginning before July 1, 2023, and on oil
19 twelve and one-half percentum of its value at the time and place of severance. Such
20 value shall be the higher of (1) the gross receipts received from the first purchaser,
21 less charges for trucking, barging and pipeline fees, or (2) the posted field price. In
22 the absence of an arms length transaction or a posted field price, the value shall be
23 the severer's gross income from the property as determined by R.S. 47:158(C).

24 (ii) For taxable periods beginning on or after July 1, 2023, and on oil eight
25 and one-half percentum of its value at the time and place of severance. Such value
26 shall be the higher of (1) the gross receipts received from the first purchaser, less
27 charges for trucking, barging and pipeline fees, or (2) the posted field price. In the
28 absence of an arms length transaction or a posted field price, the value shall be the
29 severer's gross income from the property as determined by R.S. 47:158(C)."

30 AMENDMENT NO. 6

31 On page 4, between lines 6 and 7, insert the following:

32 "" (d) * * *
33 (i) For taxable periods beginning before July 1, 2023, the ~~The~~ secretary shall
34 determine the oil price upon which the exemption for a horizontal well that produces
35 oil shall be based on July First of each year for the ensuing twelve months based
36 upon the average New York Mercantile Exchange Price per barrel of crude oil per
37 month on the close of business June Thirtieth for the prior twelve months. The
38 amount of the exemption for a horizontal well that produces oil shall be as follows:
39 * * *

40 (ii) For taxable periods beginning on or after July 1, 2023, the exemption shall
41 be fifty percent.

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(iii) For taxable periods beginning before July 1, 2023, the The secretary shall determine the natural gas price upon which the exemption for a horizontal well that produces natural gas shall be based on July First of each year for the ensuing twelve months based upon the average New York Mercantile Exchange Price per million BTU per month on the close of business June Thirtieth for the prior twelve months. The amount of the exemption for a horizontal well that produces natural gas shall be as follows:

* * *

(iv) For taxable periods beginning on or after July 1, 202, the exemption shall be fifty percent.

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